

**2014 State of the City Address**  
**Mayor Jim Griffith**  
**September 13, 2014**

Thank you, Larry, for that wonderful welcome and for joining us today.

I want to welcome you on this beautiful day to our wonderful new Seven Seas Park, which we unveiled in July. As you might imagine, picking the location for my first State of the City address was a no brainer.

Of course I want to show off the first new park the City has built in 25 years. But I also have a personal connection to Seven Seas since I live just four blocks from here. I was also on the Council back in 2010 when we voted to increase our park dedication fees. It's never easy to increase fees, but that decision now provides the funds we need to invest in our park system and to expand our open space. And the City identified this particular neighborhood as a top priority for more open space, which is how Seven Seas Park came to be. So it is extremely satisfying to see that decision bearing fruit.

Or sea monsters and pirate ships, as the case may be.

But far more important, Seven Seas is a true symbol for what the City of Sunnyvale does best – imagine the possibilities, plan for the future and bring it to fruition, in often very creative ways.

It is that very process that brought us this gorgeous flagship park for the 21<sup>st</sup> Century and it will continue to help the community envision and achieve a 21<sup>st</sup> Century City.

And what a tremendous opportunity we have to do just that. We are coming out of the Great Recession and into a critical time of transition. We have a new City Manager and a new City Council. We're strategically restoring services, such as road paving and tree-trimming, to pre-recession levels. And we're seeing the rebounding economy bring about new changes and demands for services and investment that require our focused attention. We will be challenged like never before to remain a leading and innovative city.

And Sunnyvale has never shied away from a challenge.

During the recession, while other cities were forced to hunker down and dramatically cut services and shrink staffing, Sunnyvale launched *Sunnyvale Works!* This was an ambitious and innovative plan to undertake \$60 million in planned and necessary capital improvement projects at an unheard of pace, creating new jobs in the hard-hit construction industry. And we took that \$60 million and leveraged it into over \$110 million in capital improvements – rehabilitating our bridges, making extensive roadway and sidewalk improvements, and improving ADA access for our residents.

That same year, the City completed the Parks of the Future study that helped us identify and respond to open space needs and gaps in service. As a result of this thoughtful visioning and planning, we now have this brand new park and \$172 million allocated over the next 20 years for park expansion and enhancements throughout the city.

Building on these examples of past success, we continue to plan for and invest in our future and our quality of life.

We've completed significant master planning efforts to improve our aging utility infrastructure. Design and construction are underway as we gradually rebuild the wastewater treatment plant, in what will be the largest public works project in Sunnyvale's history. Most impressive, we will do this work while the plant continues to operate, each and every day. At the same time, we are upgrading pump stations and pipelines for the drinking water system and repairing and replacing old sections of the sanitary and storm sewer collection system. Finally, we are dramatically increasing the scope of our recycled water system in partnership with Apple and the Santa Clara Valley Water District to ensure we have a sustainable and drought-resistant water supply.

The Parks of the Future plan is well underway now. Next up will be an expansion of Orchard Gardens Park, rehabilitation of the Lakewood and Fair Oaks Parks, and a complete redesign of Plaza del Sol in the Downtown.

And recognizing the pressure that our economic success has placed on our roadways, we're working closely with VTA on regional public transit initiatives as well as improvements to key transportation corridors such as Lawrence Expressway and the 101/237/Mathilda Avenue interchange. For the Mathilda interchange, we've already invested \$4 million for environmental studies and design work to ease the traffic congestion around that vital job center, with plans to begin construction by 2017.

And knowing that "transit" means more than just "automobiles," we've been a leader in expanding our modes of transportation with new bike lanes. More than 88 miles of bike lanes now traverse our city with projects for almost seven more miles currently in the works, including our first ever bike lanes on El Camino Real.

Lastly, our work on Sunnyvale's bridges is in the home stretch with our two final projects underway to rehabilitate Fair Oaks Bridge and the Old Mountain View-Alviso Road Bridge over Calabazas Creek.

As we all know, land in the Valley is a premium and Sunnyvale led one of the most creative land transactions in our region when the former Onizuka Air Force base was turned over to our city, the Veteran's Administration and the Foothill-DeAnza Community College District. The VA and Foothill are both now preparing to construct their new facilities, bringing jobs and exciting new partnerships and academic opportunities to the heart of Sunnyvale. Now it remains for the City to determine how to best use our own 4-acre parcel, which opens up many possibilities for improving Sunnyvale.

In another project related to the Onizuka transaction, the former Armory site near Fair Oaks Park is now being transformed into affordable and homeless housing units. This is an important step among many we're taking to address the growing regional problem of homelessness and lack of affordable housing.

The same creative thinking and visioning about land use that brought us the Onizuka benefits is also playing out just north of here. Design is well underway for a new full-service fire station to better serve the north end of the city. Through a development agreement, the City is getting this brand new station and public safety training center built on two acres at Bordeaux Drive. This was in exchange for our property at Innovation Way and Mathilda Avenue, which is currently occupied by our outdated Fire Station 5.

Of course, beyond these individual land use projects, we're also constantly looking at the big picture. Sunnyvale is leading the development of the Lawrence

Station Area Plan which is focused on gaining maximum land use benefit from the 600 acre area around the Lawrence Caltrain Station. We're also in the midst of creating the Peery Park Specific Plan for the long-standing office park west of Mathilda Ave. As new projects transform and modernize older concrete tilt-up buildings, the Plan will ensure we establish consistent development standards for this significant job center. Finally, the City is in the process of updating the 2007 Precise Plan for El Camino Real. It is absolutely essential that we guide appropriate development to maintain and increase the vibrancy of this vital commercial corridor through Sunnyvale.

Of course, we're focused not only on how we build a community, but how we build a *sustainable* community. In May, we adopted our Climate Action Plan that sets bold goals and actions for reducing our greenhouse gas emissions by 15 percent. And I'm particularly proud of the fact that Sunnyvale continues to lead by example when we improved our green building standards in August.

With so much happening – and I've only given you a sampling today – it would seem challenging to plan for the Sunnyvale of the future.

But we can and we must.

The economy is rebounding with very positive signs for Sunnyvale. Forbes magazine recently ranked the Sunnyvale-Santa Clara-San Jose metro area as number one in the nation for jobs, with growth surging by 4.3% last year. Our unemployment rate is 5% and has remained consistently lower than both the county and the state. Median home prices have increased dramatically compared to this time last year with single-family homes rising by over an astounding 44%. In addition to the resulting increase in property tax revenue (thank you again,

Larry!), we're experiencing historic highs with development revenue and the City's hotel tax, both closely related to economic activity.

Yet even with all of this good news, we must remain cautious and fiscally prudent to protect against the inevitable volatility of Silicon Valley. While balanced, our General Fund is tightly budgeted over the long-term. This is where our innovative 20-year financial planning model comes into play. Thanks to the power of that tool, we're able to project revenues and expenses over the long-term to ensure that resources will be available to meet our service needs. This helps us better understand the future impact of policy decisions we make today. No other city in California forecasts so well and so far.

So what does lie ahead for Sunnyvale?

As the center of a region of such international significance – yes, Sunnyvale is in fact the real Heart of Silicon Valley – we must identify and address our challenges and opportunities. To ensure we remain focused on setting and achieving our goals, I called for resuming annual strategic planning sessions with the City Manager and City Council. And we've done just that. Within the last month our City Council met with the City Manager and our senior staff for two strategic retreats to plan our focus areas for the near-term, and to address the most significant unknowns that still confront us.

The unknown that concerns our residents the most, of course, is the Downtown. The stalled Town Center project, mired in private lawsuits and appeals, remains a significant source of frustration and concern. But a new City Manager and new Council create an opportunity for a fresh start and a new approach to addressing the problem. Those efforts are now underway. The City Manager has already

been meeting with the bank that owns the property as well as the former developer to see where progress can be made. Meanwhile, the Council has directed the City Manager to undertake a review of the existing development permit to determine if there are changes we can make to reflect current market conditions so that we are ready to move quickly when the litigation reaches resolution. We also need to remember that the Town Center project is just one part of our Downtown. With the exciting new residential and commercial buildings opening, and our vibrant and historic Murphy Avenue, the Downtown is fast becoming a destination for diners, shoppers and families.

The other significant near-term challenge is developing a plan to address the critical facility needs in our Civic Center and main Library campus. We run City operations out of buildings constructed in the 1960s that are now extremely outmoded for our current operations. Quite simply, the space constraints and obsolete structures prevent us from effectively delivering services to residents. The most glaring example of this is our library.

Sunnyvale has become a model of efficient library services through our effective use of automation and staffing. But we are hamstrung by available space. In the past 25 years, every library system in Santa Clara County has increased their library facilities dramatically, even multiple times, except for Sunnyvale. And all of this happened while the Valley underwent dramatic growth. The result is that Sunnyvale now has, by far, the smallest per capita collection in the county and we now depend on our neighboring cities to help provide quality library services to Sunnyvale residents. In doing so, we are failing our children's education, we are failing our seniors and we are failing our residents. This is unacceptable.

This gives the City Council a mandate to find a solution to our outdated Civic Center and Library facilities, and we developed a path forward in our recent strategic planning session. We will soon begin the work of scoping our facility needs, investigating our options for moving forward, and, most important, talking with our residents and stakeholders to develop a solution for the Civic Center that is affordable, comprehensive and effective.

Sunnyvale is a great city with tremendous accomplishments in our history and unlimited potential for our future. We've proven our ingenuity with the success of initiatives like *Sunnyvale Works!*, our Parks of the Future Plan, our recycled water expansion and the reuse of Onizuka Air Force Base. We can bring this same ingenuity to bear now as we plan for our future and keep Sunnyvale moving forward. We simply need a commitment to work together to imagine the possibilities for a 21<sup>st</sup> century city, and to bring those ideas to fruition. With the talented City staff we have in place and the passionate and dedicated residents we serve, I couldn't be more confident in our ability to make great things happen or more enthusiastic about our opportunities for the future. I hope you'll join me as we continue charting our course and reaching new heights.